

### The Budget Ploy And The Skybolt Affair

Much of the abstract pattern we have described can be seen in an episode of a different character from the other examples: the cancelling out of the Skybolt missile in 1962. Here is a case where the vulnerability of the move depended greatly upon its timing. Early in August of 1962 McNamara concluded, on the basis of studies completed then, that the half-billion dollars still to be spent on Skybolt could be saved without loss by cancelling the weapon, given the expected effectiveness of competing weapons systems and the rising costs and low reliability of Skybolt itself.

Somewhat later, the essential decision was made by the President, with the concurrence of the Secretary of State, that the half-billion dollar saving outweighed the pain that would be caused by the cancellation to the British. Since it was no part of their objective to embarrass the British nor to shatter the "special relationship," the President and the two Secretaries agreed on the need to find as satisfactory a compensation for the British as possible. They were prepared, as were Macmillan and Thorneycroft, to contemplate Polaris in this role at this earlier stage, though large parts of the bureaucracy on each side of the Atlantic were not.

If the decision had simply been announced at the moment these conclusions were reached, it would have been short-lived. Opposition from the Air Force, supported from the aircraft industry, would have had effective expression in Congress. The tactic adopted was to sit tight on the conclusions at the time and to expose them and the decision based upon them for the first time in the budget recommendations, some three months later. If a cancellation were presented in the form of a simple omission from an otherwise large defense budget, its vulnerability to reversal would be sharply altered. As a separate item earlier in abstraction from a budget, Congressional proponents of Skybolt could simply maintain that Skybolt was indispensable, leaving it to the Administration to bear the responsibility for any compensating cuts elsewhere that might be taken, or for the overall size of the budget. But confronted with a coherent and large budget that lacked provision for Skybolt, those who would urge that funds be added to the budget to keep the project going would either have to take the responsibility for swelling the large budget still further or they could be challenged to recommend and to take responsibility for specific cuts elsewhere. Thus, what McNamara proposed was to produce a fait accompli against the Air Force and its backers in Congress.

Any leakage even suggesting the imminence of this decision could have been fatal to the project. All that was necessary to block the move prior to December was for its opponents to raise

the question in sharp debate or in a press conference to force the Administration to define its current position on Skybolt publicly and unequivocally. A premature statement of intention to drop Skybolt would then have provoked a demonstration of public (though specialized) support for the system. The political costs of obduracy in the face of this opposition would have been intense; for one thing, the opponents of the move would be encouraged (by the likelihood of success) to make threats, commitments, and alliances that might, in the end, virtually compel them to retaliate if the move was carried out. Moreover, if the alarm was sounded before suitable compensation had been worked out for the British, the Administration would be open to charges of heartlessness and betrayal, and the undesired political costs for Macmillan would be maximized.

Since the opposition tactics involved would be politically cheap, the slightest suspicion would be enough to provoke them; therefore, the level of suspicion had to be kept extraordinarily low. Secrecy was essential, and McNamara and the three or four assistants who were informed of his intentions proceeded to demonstrate extraordinary talent in keeping their mouths shut. For the first month or two the proposal reached no one outside their circle, either in Defense, State Department, Budget Bureau or the White House. But secrecy was not enough. Some positive deception was unavoidable, both because some questions were being asked anyway on the basis of the rumors that always arose around budget time, and because some positive actions were required whose omission would instantly have given warning.

The time had arrived in the development process of Skybolt when funds for production tooling would have to be released if Skybolt were to proceed into the production phase without delay. In fact, it was just because Skybolt had reached this point that the Administration was feeling the urgency of a "last chance" to cancel it. Risky and painful as it would be to cancel it even at this late stage, it would become irreversible once large production commitments had been made to the project.

Not only was the project about to become enormously more expensive and to acquire even more intense supporters, but the very fact of large investments to be justified would soon make cutting it off as distasteful to the administration itself as to its current proponents, since in politics, bygone are never bygone. Thus, as usual, the tactic of the fait accompli, somewhat desperate in itself, was adopted in a move of urgency as a last opportunity approached its deadline, beyond which even more desperate measures would be of no avail.

The Administration proceeded to release limited production funds for Skybolt, thus spending money for purposes of deception, giving a powerful signal of reassurance to supporters of the program. The funds were released on a month-by-month, tentative



basis during the period of budget consideration, but this in itself gave no alarm, for such indications of soul-searching and reluctance had appeared every year at budget time, and frequently off-season as well.

When questions were put directly to the Administration by Thorneycroft, on the basis of more authoritative rumors, they were at first turned aside with deceptive or misleading answers. Here a phenomenon of the fait accompli which we have discussed a little earlier was at work. There was no desire, in fact, to deceive the British cabinet or even to delay their appreciation of the Administration's intention. However, to inform them prematurely was to take too great a risk of warning U.S. domestic opposition, via the channel British Cabinet-RAF-USAF-Congress. In the earlier stage, then, there seemed no alternative to maintaining the deception against our ally as well. As we shall discuss, the process of secrecy and deception has costs and risks, and these apply as well when the information is withheld from a third party simply to block a communication channel to the primary opponent. Later, when Thorneycroft and Macmillan were let in on the plan (in ample time prior to the estimated "leak date"--at which time the news would hit the two publics--for the two Cabinets to concert on a plan of compensation). The communication, for reasons of security, was informal, brief, inexplicit and strictly limited in its recipients. This, too, had its effects.

Meanwhile, the preconceptions of the "opposition"--the backers of Skybolt--were favorable to the strategy, for they all pointed to the implausibility of the Administration's undertaking this move. Indications of Administration unhappiness with Skybolt were not disquieting, for two different administrations had exhibited this unhappiness almost continuously from the outset of the program. Even fairly pointed attacks upon the program had been launched, without results. The Administration was though unlikely to take on a new battle with the Air Force just after its recent campaign against the B-70. (Actually, it was the experience with the B-70 that had given the administration a sense of deadline about the Skybolt; McNamara and the President now regarded it as a tactical error to have let the B-70 program continue as long as it had). This was an underestimate of McNamara's heart for facing political opposition in Congress.

Moreover, the proponents of Skybolt were confident that the Administration would not pay the political costs of intensely displeasing (indeed, politically endangering) the British Cabinet, which had represented the promise of Skybolt as a major feature of its collaboration with the United States. (From one point of view, they overestimated the Administration's charity, or its prudence; from another, they underestimated the Administration's willingness to compensate the British; though,

as it turned out, this program of compensation was carried out maladroitly.) Finally, the opposition was reassured in the short run by the absence of any warning indications. They were confident they would receive ample warning of any proposal to cut, either from the Administration itself--underestimating the Administration's ability to hold tight counsel and to stop leaks--or from the RAF--underestimating the Administration's willingness to postpone informing the British, or to deceive them for a limited period.

Domestically, the tactics were a complete success. Security was essentially maintained until the Secretary's budget recommendations were sent to the JCS. The administration had managed quietly to occupy the high ground during the night, and the Air Force, recognizing the low promise of an uphill assault, accepted the change without a significance fight. The fait accompli with respect to the U.S. "opposition" was a success.

The results on the British side were more complicated, and far less happy. Here there was no intent to delude the British Cabinet nor, if it could be avoided, to damage their interests. But willingness to spare Macmillan a fait accompli, while presenting one to Congress, was a misunderstanding of Macmillan's domestic position. Macmillan and Thorneycroft, while unhappy about the move, were themselves prepared to accept it and could readily conceive of adequate compensation. But it was essential to them that the move, if it must take place, be presented to them as a fait accompli. The impression would be disastrous that they had taken part in a discussion of the move, before it was settled and irreversible, in which they had not opposed the move bitterly, or in which they had treated the continuation of the Skybolt as at all negotiable. If they were to persuade the Cabinet to accept the move as a fact rather than as a challenge, they had on the one hand to be able to disclaim all responsibility (including prior information of the move) and simultaneously to be bearing in the other hand a concrete, generous, compensatory offer from the Americans. Only that combination could deter the pressure from the Cabinet, the Services, the party, and the public to do-or-die for deal old Skybolt; a fight which Macmillan and Thorneycroft knew, better than these others, would be hopeless--and for which they had no heart in any case. But without the generous offer from the Americans, Macmillan and Thorneycroft would be forced to fight even if the prospects were hopeless, if only to punish their ally for the humiliation of the move. Macmillan did not tell the Cabinet; did not plan. McNamara expected detailed counterproposals.

What the U.S. Administration failed to appreciate was the urgency of Macmillan's and Thorneycroft's need to avoid appearing in the eyes of the British Cabinet and Services, to be trading, without a fight, the status quo on Skybolt for any alternative.



The secrecy of the actual interaction was critical here, for it limited communication between the two heads of state and the Secretaries of Defense so sharply as to conceal from the Americans the precise nature of the English concerns. For reasons of security (including security against the U.S. bureaucracy; for reasons I shall not go into here, the U.S. offer of Polaris to the British was likewise to be presented by Rusk to the State Department as a fait accompli) it was decided to avoid formal negotiations and to conduct the private negotiation in person. But McNamara's interview with Thorneycroft was postponed for a variety of reasons until so late that fatal leaks had occurred to the British public and bureaucracy by the time it took place. And at this point, having failed to arrive at an adequate understanding of the British problems earlier, the Americans failed to present what Thorneycroft regarded as a minimum essential, concrete compensation: Polaris without strings. The offer was susceptible to improvement, as the Nassau negotiations later proved. But to be forced to ask for these adjustments, in full view of the bureaucracy and Services; the public, the Administration's willingness to postpone informing the British, rather than to be confronted with a satisfactory package on a take-it-or-leave-it basis was inexorably to challenge Macmillan and Thorneycroft to fight for the best deal they could get, not to exclude in defeatist fashion the reversal of the decision on Skybolt itself.

In short, what Thorneycroft had wanted to confront was a fait accompli; what he got was a crisis.

He proceeded, as in customary in these situations, to present his tormenting opponent/allies with a crisis of their own. The ensuing process, through Nassau to DeGaulle's press conference in January and beyond, abounded in insult, humiliation, and intimations of maladroitness all around.

On both sides of the Atlantic, the episode illustrated the relations between crisis and attempted fait accomplis. A crisis is, for a head of state, an urgent problem-solving situation. But a problem (as distinct, say, from an unfavorable or disappointing prospect) exists only if there is some possibility of finding a "solution," that is, a course of action that can improve matters or avert a decline. A "problem" in this technical sense is a challenge to a politician, a test upon which he will be judged. If he himself, privately, has little hope of success, or disagrees that a problem exists, then he would much prefer to skip this test.

A generous counteroffer from the Americans would have removed most the sting from the drive to regain Skybolt, but there would have been still some implication that the change was for the worse (else why had not the British pressed for it

earlier?). Therefore, if they were to be spared a crisis, Macmillan and Thorneycroft wished it evident to all that there was no possibility to influence the decision; only thus could they be excused from the responsibility to challenge it. Thus, Thorneycroft hoped that the cancellation of Skybolt could be presented as due to "technical infeasibility." To resist it then would be to oppose the laws of nature; the Minister of Defense is not required to be that romantic in defending England's honor. But the Americans concluded that it would simply be impossible to conceal the fact that mainly economic laws were at work, (i.e., that British sensibilities--weighed in with marginal military benefits--were not worth half a billion dollars in the eyes of the U.S. administration; the problem before the two cabinets was precisely to lessen the humiliation for the British of the "revealed performance."

Unfortunately, the British public, Services, and Cabinet were protected from the information in the early stages of the move by the tactics of fait accompli used both by the Americans and by Macmillan and Thorneycroft. When it burst upon them, as a surprise, it came prematurely, the secrecy having flown before a basic agreement had been worked out in saleable form. Yet it was not made obvious to these audiences that the situation was hopeless, that Skybolt was out. The British press proceeded to define the situation in any such way that for Macmillan to emerge from Nassau with anything but Skybolt would be interpreted as failure. (Apparently Macmillan himself did not read this mood correctly; he left Nassau highly satisfied with the deal he had negotiated, having rejected a fairly generous offer by the United States to split the costs of continued development of Skybolt.) In short, one can fail at a fait accompli even when the opposing head of the state is cooperative. And the failure is the crisis.

So far we have considered circumstances to which the tactics of fait accompli are adapted, the calculations on which an attempted fait accompli are based, and the tactics involved in the effort. We have seen that it is in the nature of a fait accompli, if it fails to achieve passive acceptance by an opponent, that is, to succeed, to produce a crisis. For if secrecy is maintained until the closing stages of the move, but the opponent on becoming alerted is not convinced that the change is beyond the influencing, he is then in an urgent decision-making situation with a short deadline, that is, a crisis. The hurried, stressful, and disorderly process of crisis decisionmaking is in itself somewhat more likely than more leisurely decisionmaking to result in radical, more violent countermoves which are in turn surprising and crisis-producing for the original actor.

It is the aim of the fait accompli to make a threatening situation seem hopeless rather than urgent: to induce withdrawal, acceptance, rationalization, change of goal,

paralysis, disintegration, vacillation; not crisis, with its frantic and possible overtones of hysteria, panic and aggression. Yet, as we have seen, the failure of the fait accompli is likely to take the form of crisis.

What we have not so far examined is why this failure occurs so often, so violently, and so surprisingly to the initiator, as it does. In particular, we must consider how the factors now intrinsic to the tactics that contribute to the likelihood, the intensity, and the lack of anticipation of its failure.

The form of failure we shall examine is one in which secrecy and deception are effective as long, or almost as long, as originally intended, but in which the opponent, instead of accepting the situation, strives to rise to the occasion and to counter or punish the move.